

# M&G North American Value Fund Sterling Class I – Accumulation shares

Monthly Fund Review as at 31 May 2024

For investment professionals only

## Highlights

- US stockmarkets bounced back strongly in May, reaching record highs.
- Information technology was the primary detractor to fund performance this month, owing to both an underweight allocation to the sector and stock selection. Within the sector, the single largest stock detractor this month was our lack of exposure to Nvidia. Not holding Apple was also negative for relative fund returns, as the share price rose following a number of positive press releases. Our stock picks in consumer staples were also unhelpful.
- Our underweight allocation and stock selection in consumer discretionary sector aided relative performance this month. Within the sector, Best Buy was one of our top 10 individual stock contributors in relative terms, where share price reacted positively following Q1 results. At a stock level, Fabrinet was the leading relative contributor after a favourable earnings report.
- With regards to portfolio activity, we started one new position in Gilead Sciences; the company has derated along with large-cap pharma and the 'higher-for-longer' stance, without factoring in any growth optionality. We did not fully exit any positions this month.

## The main risks associated with this fund

For any past performance shown, please note that past performance is not a guide to future performance.

The value and income from the fund's assets will go down as well as up. This will cause the value of your investment to fall as well as rise. There is no guarantee that the fund will achieve its objective and you may get back less than you originally invested.

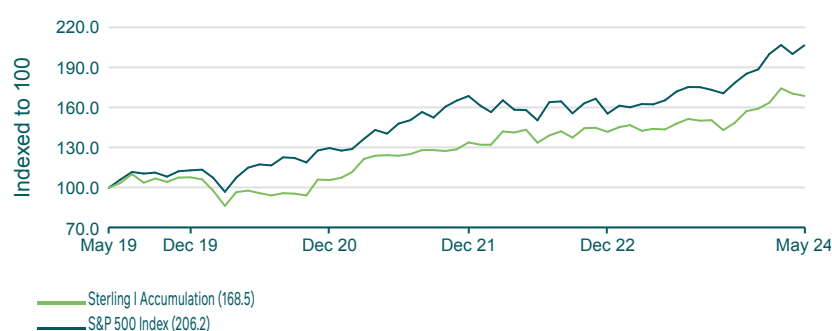
The fund can be exposed to different currencies. Movements in currency exchange rates may adversely affect the value of your investment.

Further risk factors that apply to the fund can be found in the fund's Prospectus.

## Single year performance (5 years)

	2023	2022	2021	2020	2019
■ Sterling I Accumulation	10.9%	5.9%	26.4%	-1.8%	15.3%
■ S&P 500 Index	19.2%	-7.8%	29.9%	14.7%	26.4%
■ Sector	16.7%	-10.1%	25.3%	16.5%	24.6%

## Performance over 5 years



## Fund performance

	1 month	3 months	YTD	1 year	3 years p.a.	5 years p.a.
■ Sterling I Accumulation	-1.0%	3.1%	7.3%	17.4%	10.7%	11.0%
■ S&P 500 Index	3.2%	3.2%	11.4%	24.8%	13.7%	15.6%
■ Sector	1.4%	1.8%	8.8%	21.4%	9.8%	12.9%

Past performance is not a guide to future performance.

**Performance comparison:** The fund is actively managed. The benchmark is a target which the fund seeks to outperform. The index has been chosen as the fund's target benchmark as it best reflects the scope of the fund's investment policy. The target benchmark is used solely to measure the fund's performance and does not constrain the fund's portfolio construction.

Source: Morningstar, Inc and M&G, as at 31 May 2024. Returns are calculated on a price to price basis with income reinvested. Benchmark returns stated in GBP terms.

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## Key information

Fund manager(s)	Daniel White
Fund manager tenure from	31 August 2013
Deputy fund manager(s)	Richard Halle
ISIN	GB00B61S4242
Launch date of fund	01 July 2005
Launch of share class	03 August 2012
Fund size (millions)	£ 257.60
Benchmark(s)	S&P 500 Index
Benchmark type	Target
Sector	IA North America sector
Number of companies	81
Historic yield	1.30%
Portfolio turnover over 12 months	41.74%
VaR	9.06%
Payment dates	Oct
Ex-dividend dates	Sep

## Charges

Maximum entry charge	0.00%
Ongoing charge	0.55%

## Risk characteristics

As at 31/05/2024	Fund
Alpha (%)	1.86
Information ratio	-0.31
Sharpe Ratio	0.75
Historic tracking error (%)	9.61
Beta	0.56
Standard deviation (%)	10.59
Forecast tracking error (active risk, %)	5.80
Active share (%)	82.89

## Things you should know

The fund invests mainly in company shares and is therefore likely to experience larger price fluctuations than funds that invest in bonds and/or cash.

## Fund ratings as at 31 May 2024

Morningstar Medalist Rating™	Analyst-Driven %
<b>Bronze</b>	10
	Data Coverage %
	96

Overall Morningstar rating

Financial Express Crown Rating

Source of Morningstar ratings: Morningstar  
Source: Financial Express

Ratings should not be taken as a recommendation.



## Industry breakdown (%)

	Fund	Index	Relative weight
Information technology	15.1	30.6	-15.5
Financials	15.0	12.9	2.1
Health care	13.6	12.0	1.6
Communication services	11.1	9.3	1.8
Consumer staples	9.2	6.0	3.2
Industrials	8.8	8.5	0.2
Consumer discretionary	7.5	9.9	-2.4
Energy	5.6	3.8	1.7
Materials	5.6	2.3	3.2
Utilities	4.4	2.5	1.9
Real Estate	1.6	2.2	-0.6
Other	0.0	0.1	-0.1
Cash	2.7	0.0	2.7

## Largest overweights (%)

	Fund	Index	Relative weight
JP Morgan	3.0	1.3	1.7
Kroger	1.8	0.1	1.7
Constellation Energy	1.8	0.2	1.7
Qualcomm Incorporated	2.2	0.5	1.6
Fabrinet	1.6	0.0	1.6
Chevron	2.1	0.6	1.5
Amkor Technology	1.5	0.0	1.5
Johnson & Johnson	2.2	0.8	1.4
Reinsurance Group of America Incorporated	1.4	0.0	1.4
Conocophillips	1.7	0.3	1.3

## Currency breakdown (%)

	Fund	Index	Relative weight
US dollar	98.0	100.0	-2.0
Canadian dollar	2.0	0.0	2.0
British pound	0.0	0.0	0.0

## Country breakdown (%)

	Fund	Index	Relative weight
US	90.5	99.8	-9.4
Thailand	1.6	0.0	1.6
UK	1.3	0.0	1.3
Chile	1.2	0.0	1.2
Israel	1.1	0.0	1.1
Australia	0.7	0.0	0.7
Ghana	0.6	0.0	0.6
Canada	0.4	0.0	0.4
Other	0.0	0.2	-0.2
Cash	2.7	0.0	2.7

## Largest underweights (%)

	Fund	Index	Relative weight
Microsoft	0.0	7.0	-7.0
Apple	0.0	6.3	-6.3
Nvidia Corporation	0.0	6.1	-6.1
Amazon	0.0	3.6	-3.6
Berkshire Hathaway	0.0	1.7	-1.7
ELI Lilly and Company	0.0	1.5	-1.5
Broadcom	0.0	1.3	-1.3
Exxon Mobil	0.0	1.2	-1.2
Tesla	0.0	1.1	-1.1
Unitedhealth Group	0.0	1.0	-1.0

## Largest holdings (%)

	Fund	Index	Relative weight
Alphabet	4.6	4.2	0.4
Facebook	3.4	2.3	1.1
JP Morgan	3.0	1.3	1.7
Johnson & Johnson	2.2	0.8	1.4
Qualcomm Incorporated	2.2	0.5	1.6
Chevron	2.1	0.6	1.5
Constellation Energy	1.8	0.2	1.7
Wells Fargo & Company	1.8	0.5	1.3
Kroger	1.8	0.1	1.7
Oracle Corporation	1.8	0.4	1.3

## Capitalisation breakdown (%)

	Fund	Index	Relative weight
Mega cap (> \$50bn)	54.0	82.8	-28.8
Large cap (\$10 - \$50bn)	26.0	16.6	9.4
Mid cap (\$2 - \$10bn)	16.9	0.6	16.3
Small cap (< \$2bn)	0.5	0.0	0.5
Other	0.0	0.0	0.0
Cash	2.7	0.0	2.7

## Fund codes and charges

Share class	ISIN	Bloomberg	Currency	Share class launch date	Ongoing charge	Historic yield	Minimum initial investment	Minimum top up investment
Sterling A Acc	GB00B0BHJD51	MGNAVAA LN	GBP	01/07/2005	0.95%	0.98%	£500	£100
Sterling A Inc	GB00B0BHJC45	MGNAVAI LN	GBP	01/07/2005	0.95%	1.79%	£500	£100
Sterling I Acc	GB00B61S4242	MGNAVIA LN	GBP	03/08/2012	0.55%	1.30%	£500,000	£10,000
Sterling I Inc	GB00B77CF027	MGNAVII LN	GBP	03/08/2012	0.55%	1.78%	£500,000	£10,000
Sterling R Acc	GB00B6ZPPZ12	MGNAVRA LN	GBP	03/08/2012	0.80%	1.10%	£500	£100
Sterling R Inc	GB00B778R828	MGNAVRI LN	GBP	03/08/2012	0.80%	1.78%	£500	£100

Any ongoing charge figure with \* indicates an estimate. The ongoing charge figure may vary from year to year and excludes portfolio transaction costs. The charges are mostly, if not exclusively, the Annual Charge which may be discounted depending on the size of the fund. For further details, please see the fund's Key Investor Information Document (KIID). The fund's annual report for each financial year will include details on the exact charges made. Please go to [www.mandg.co.uk/literature](http://www.mandg.co.uk/literature) to view the Costs and charges illustration which contains information on the costs and charges applicable to your chosen fund and share class.

Please note that not all of the share classes listed above might be available in your country. Please see the Important Information for Investors document and the relevant fund's Prospectus for more information on the risks associated with this fund and which share classes are available for which product and which investor type.

## Important information

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The M&G North American Value Fund is a sub-fund of M&G Investment Funds (1).

The Morningstar Overall Rating based on the fund's Sterling Class I shares. Copyright © 2024 Morningstar UK Limited. All Rights Reserved. Ratings should not be taken as recommendation.

The value of investments will fluctuate, which will cause fund prices to fall as well as rise and investors may not get back the original amount invested. **For financial advisers only. Not for onward distribution. No other persons should rely on any information contained within.**

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